

1-1 By: Bettencourt S.B. No. 849  
 1-2 (In the Senate - Filed February 27, 2015; March 4, 2015,  
 1-3 read first time and referred to Committee on Finance;  
 1-4 April 13, 2015, reported favorably by the following vote: Yeas 9,  
 1-5 Nays 0; April 13, 2015, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Nelson	X			
1-8 Hinojosa	X			
1-9 Bettencourt	X			
1-10 Eltife			X	
1-11 Hancock	X			
1-12 Huffman			X	
1-13 Kolthorst	X			
1-14 Nichols	X			
1-15 Schwertner			X	
1-16 Seliger			X	
1-17 Taylor of Galveston	X			
1-18 Uresti	X			
1-19 Watson	X			
1-20 West			X	
1-21 Whitmire			X	

1-23 A BILL TO BE ENTITLED  
 1-24 AN ACT

1-25 relating to access to and fees associated with binding arbitration  
 1-26 of appraisal review board orders.

1-27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-28 SECTION 1. Section 41A.01, Tax Code, is amended to read as  
 1-29 follows:

1-30 Sec. 41A.01. RIGHT OF APPEAL BY PROPERTY OWNER. As an  
 1-31 alternative to filing an appeal under Section 42.01, a property  
 1-32 owner is entitled to appeal through binding arbitration under this  
 1-33 chapter an appraisal review board order determining a protest filed  
 1-34 under Section 41.41(a)(1) or (2) concerning the appraised or market  
 1-35 value of property if:

1-36 (1) the property qualifies as the owner's residence  
 1-37 homestead under Section 11.13; or

1-38 (2) the appraised or market value, as applicable, of  
 1-39 the property as determined by the order is \$3 [~~\$1~~] million or less.

1-40 SECTION 2. Section 41A.03(a), Tax Code, is amended to read  
 1-41 as follows:

1-42 (a) To appeal an appraisal review board order under this  
 1-43 chapter, a property owner must file with the appraisal district not  
 1-44 later than the 45th day after the date the property owner receives  
 1-45 notice of the order:

1-46 (1) a completed request for binding arbitration under  
 1-47 this chapter in the form prescribed by Section 41A.04; and

1-48 (2) an arbitration deposit made payable to the  
 1-49 comptroller in the amount of:

1-50 (A) \$450, if the property qualifies as the  
 1-51 owner's residence homestead under Section 11.13 and the appraised  
 1-52 or market value, as applicable, of the property is \$500,000 or less,  
 1-53 as determined by the order;

1-54 (B) \$500, if the property qualifies as the  
 1-55 owner's residence homestead under Section 11.13 and the appraised  
 1-56 or market value, as applicable, of the property is more than  
 1-57 \$500,000, as determined by the order;

1-58 (C) \$500, if the property does not qualify as the  
 1-59 owner's residence homestead under Section 11.13 and the appraised  
 1-60 or market value, as applicable, of the property is \$1 million or  
 1-61 less, as determined by the order;

2-1 (D) \$800, if the property does not qualify as the  
2-2 owner's residence homestead under Section 11.13 and the appraised  
2-3 or market value, as applicable, of the property is more than \$1  
2-4 million but not more than \$2 million, as determined by the order; or  
2-5 (E) \$1,050, if the property does not qualify as  
2-6 the owner's residence homestead under Section 11.13 and the  
2-7 appraised or market value, as applicable, of the property is more  
2-8 than \$2 million but not more than \$3 million, as determined by the  
2-9 order [~~\$500~~].

2-10 SECTION 3. Section 41A.05(b), Tax Code, is amended to read  
2-11 as follows:

2-12 (b) The comptroller may retain \$50 [~~an amount equal to 10~~  
2-13 ~~percent~~] of the deposit to cover the comptroller's administrative  
2-14 costs.

2-15 SECTION 4. Section 41A.06(b), Tax Code, is amended to read  
2-16 as follows:

2-17 (b) To initially qualify to serve as an arbitrator under  
2-18 this chapter, a person must:

2-19 (1) meet the following requirements, as applicable:

2-20 (A) be licensed as an attorney in this state; or

2-21 (B) have:

2-22 (i) completed at least 30 hours of training  
2-23 in arbitration and alternative dispute resolution procedures from a  
2-24 university, college, or legal or real estate trade association; and

2-25 (ii) been licensed or certified  
2-26 continuously during the five years preceding the date the person  
2-27 agrees to serve as an arbitrator as:

2-28 (a) a real estate broker or  
2-29 salesperson under Chapter 1101, Occupations Code;

2-30 (b) a real estate appraiser under  
2-31 Chapter 1103, Occupations Code; or

2-32 (c) a certified public accountant  
2-33 under Chapter 901, Occupations Code; and

2-34 (2) agree to conduct an arbitration for a fee that is  
2-35 not more than:

2-36 (A) \$400, if the property qualifies as the  
2-37 owner's residence homestead under Section 11.13 and the appraised  
2-38 or market value, as applicable, of the property is \$500,000 or less,  
2-39 as determined by the order;

2-40 (B) \$450, if the property qualifies as the  
2-41 owner's residence homestead under Section 11.13 and the appraised  
2-42 or market value, as applicable, of the property is more than  
2-43 \$500,000, as determined by the order;

2-44 (C) \$450, if the property does not qualify as the  
2-45 owner's residence homestead under Section 11.13 and the appraised  
2-46 or market value, as applicable, of the property is \$1 million or  
2-47 less, as determined by the order;

2-48 (D) \$750, if the property does not qualify as the  
2-49 owner's residence homestead under Section 11.13 and the appraised  
2-50 or market value, as applicable, of the property is more than \$1  
2-51 million but not more than \$2 million, as determined by the order; or

2-52 (E) \$1,000, if the property does not qualify as  
2-53 the owner's residence homestead under Section 11.13 and the  
2-54 appraised or market value, as applicable, of the property is more  
2-55 than \$2 million but not more than \$3 million, as determined by the  
2-56 order [~~90 percent of the amount of the arbitration deposit required~~  
2-57 ~~by Section 41A.03~~].

2-58 SECTION 5. The change in law made by this Act applies only  
2-59 to a request for binding arbitration under Chapter 41A, Tax Code,  
2-60 that is filed on or after the effective date of this Act. A request  
2-61 for binding arbitration under Chapter 41A, Tax Code, that is filed  
2-62 before the effective date of this Act is governed by the law in  
2-63 effect on the date the request is filed, and the former law is  
2-64 continued in effect for that purpose.

2-65 SECTION 6. This Act takes effect on September 1, 2015.

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